**CONSTRAINTS AND THEIR SOLUTIONS IN BUSINESS**

           According to Goldratt & Cox (2016), there would be several constraints that businesses face, which may hinder their progress or operations. For instance, in the production industry has employees who must be paid from the profits made from sells of products. Raw materials are very necessary since they are the ones processed to finished goods, ready for consumption. The new technology needs to be embraced and purchasing some software would bring more benefits to the company. For instance, every firm uses a certain software that makes work easier. Such programs are expensive and an organization needs them because they are basic. Any industry pays tax for it to continue operating, and apart from that, it caters to the transportation of products to various places for sale. A company may also need to advertise its products or services so that to attract more customers. Maintenance is another activity that requires money (Goldratt & Cox, 2016).

           Inadequate finances would hinder the progress of the company because raw materials cannot be purchased and there will be no production process, employees will not be paid, or if paid they will earn a low salary that may make them quit the job. Lack of adequate capital will hinder the industry from embracing new technology that is very necessary for an industry to increase its market share and earn more profits (Goldratt & Cox, 2016). For example, Management Information Systems (MISs) are the backbone of all industries and must be procured, but without adequate money, it would be impossible.

           With inadequate finances, the firm may be unable to pay taxes, which is a legal obligation of any industry. This means its closure by the government. Transportation of products to various places for sale also requires money, and the organization may not even cater for transportation with inadequate money. Finally, any company needs to advertise its products or services to attract more customers. This would be impossible with little money as popular advertisement platforms charge highly (Goldratt & Cox, 2016).

           To overcome the financial crisis, I would merge the company with another popular company with a good reputation. Working together would bring more profits, and sustain the company shares. I would also invite more stakeholders who are able to fund the firm and gain profits. I know that most companies have funders or sponsors who invest in the company and get benefits. Another method I would use to get enough capital is through borrowing a bank loan with little interest and a longer period of payment so that I boost the business (Goldratt & Cox, 2016).

            I would reduce financial constraints by employing workers who are not overpaid, but skilled. This means I would trench the highly paid employees. Finally, I would request grants from well-wishers, and this can boost the firm. All these steps will reduce the money spent and increase the company's income. Money will be enough to cater pay employees, purchase raw materials, embrace new technology, pay taxes and advertise the company as well as support other basic operations.

           The improved process after solving the financial crisis would timely purchase of raw materials, to ensure processing is continuous, and products are high quality and readily available for consumers. Packaging would be done depending on customer preferences and ability to afford products, the branding and size of products will change to be appealing. Advertisement will be run in popular Television stations, radios, and magazines, to reach out to more customers and capture a large market share. Employees will be motivated through financial and non-financial incentives to improve their performance. Finally, teamwork will be encouraged. All these steps will lead to customer satisfaction and getting a large market. The improved process aims at making more customers, money, and developments.

Assessment of the company’s strengths and weaknesses would be the first step to filling the gaps that may be identified. Developing a strategic plan that focuses on the gradual elimination of the constraints that face the company would be the best way to go since every single coin is budgeted for and finding extra money to end a financial crisis needs time. Another important part of organizational development is the type of leadership (Goldratt & Cox, 2016). Poor leadership would lead to increased cases of corruption, misappropriation of funds, and misuse of money on unnecessary things. It means that the company will fall due to poor management.

           Focusing on good leadership can be one of the solutions to ending financial constraints. Better economic models also need to be applied, to increase the company income. Global companies apply the best economic models to increase and measure income. I would finally encourage a goal-oriented approach to achieving the goals of the company. Leaders and employees should commit themselves to meet set goals and put a flexible company culture that accommodates changes. To conclude, businesses need human, financial, and time as the primary resources. Any company that will lack the three resources should expect to fall. There is a need for company leaders to prioritize the primary resources since they are basic, and must be maintained (Goldratt & Cox, 2016).

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References

Goldratt, E. M., & Cox, J. (2016). The goal: a process of ongoing improvement. Routledge.